

1993

**annual
report**

**Co-operative Federation
of Victoria Ltd**

CO-OPERATIVE PRINCIPLES

1. **Open and voluntary membership**
Membership of a co-operative society should be voluntary and available without artificial restriction or any social, political or religious discrimination, to all persons who can make use of its services and are willing to accept the responsibilities of membership.
2. **Democratic control**
Co-operative societies are democratic organisations. Their affairs should be administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies should enjoy rights of voting (one member, one vote) and participation in decisions affecting their societies. In other than primary societies the administration should be conducted on a democratic basis in a suitable form.
3. **Limited interest on shares**
Share capital should only receive a strictly limited rate of interest, if any,
4. **Return of surplus to members**
Surplus or savings, if any, arising out of the operations of a society belong to the members of that society and should be distributed in such manner as would avoid one member gaining at the expense of others.
This may be done by decision of the members as follows:
(a) by provision for development of the business of the co-operative;
(b) by provision of common services; or
(c) by distribution among the members in proportion to transactions with the society.
5. **Co-operative education**
All co-operative societies should make provision for the education of their members, officers and employees, and of the general public, in the principles and techniques of co-operation, both economic and democratic.
6. **Co-operation among co-operatives**
All co-operative organisations, in order to best serve the interest of their communities, should actively co-operate in every practical way with other co-operatives at local, national and international levels.

CO-OPERATIVE FEDERATION OF VICTORIA LTD

BOARD OF DIRECTORS

AS AT

30 JUNE 1993

DIRECTORS

Brian H. Macintosh (Chairman)

Stephen J. Chenery

John Gill

Bernie Hawkins

Edward J. Long

Daniel McMullan

Stephen O'Rourke

Ian D. Risstrom

Owen J. Slattery

Ian Symons

SECRETARY:

AUDITOR:

REGISTERED OFFICE:

CO-OPERATIVE DELEGATE FOR

Gippsland Tip Truck Hiring
Co-operative Ltd

Wholefoods Co-operative Ltd

Victorian Producers' Co-operative Co. Ltd

Victorian Credit Co-operative Assoc. Ltd

Y.C.W. Co-operative Society Ltd

Bonlac Foods Ltd

Murray Goulburn Co-operative Co.Ltd

West Gippsland H.I. Co-operative Ltd

The Phosphate Co-operative Co. of Aust. Ltd

Warrnambool Co-operative Society Ltd

Anthony Gill

Thompson, Douglas & Co.
Melbourne

RMB 1282
Langs Road
BLAMPIED VICTORIA 3364

Telephone: (053) 457 466
Facsimile: (053) 483 253

REPORT FROM THE BOARD OF DIRECTORS

During the 1992/93 financial year, two major challenges confronted the Victorian co-operative sector.

At the start of the year, the State Labor Government presented revised legislation for co-operatives. The spectre of the Farrow Group of Building Societies' collapse pervaded the new Bill, with further restrictions to the operations of co-operatives and increased powers to the Registrar compared to the current Act. The Bill lapsed upon the dissolution of the Parliament prior to the last State election.

With the State Government likely to introduce new legislation for co-operatives over the coming year, a priority for the Federation will be to work with the Victorian Attorney-General to achieve reform beneficial to individual co-operatives and the co-operative movement generally.

The second challenge was for Victorian co-operatives to regroup following the collapse of the Australian Association of Co-operatives (AAC) in March 1993.

At the Future Directions Forum held in May, co-operative delegates called for the Co-operative Federation of Victoria to be reactivated. The Federation suspended its operations upon the formation of the Victorian Division of AAC in 1988.

The Forum identified the important need for a body to represent Victorian co-operatives, particularly to government and to encourage education and training initiatives. A group was appointed to liaise with the Board to formally reactivate the Federation.

The Board and the group met on 13 May, 1993 and the Board subsequently initiated the following actions:

- * Appointed four Directors; Messers J. Gill, D. McMullan, I. Risstrom, and S. Chenery to fill casual vacancies;
- * Appointed Anthony (Tony) Gill as Secretary;
- * Transferred the registered office of the Federation to the Secretary's address;
- * Began a membership drive.

At the close of the year, 44 Victorian Co-operatives were members of the Federation.

The Board is encouraged by the recent interest and support shown by members and other Victorian co-operatives to the Federation. The assistance given by the Victorian Producers' Co-operative Co., and The Phosphate Co-operative Co., in providing initial administrative support is appreciated.

Finally, the Board looks forward to increasing the involvement of Co-operatives in the Federation over the coming year.

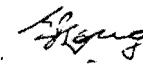
STATEMENT BY DIRECTORS

In the opinion of the Directors the accompanying Profit and Loss Account is drawn up so as to give a true and fair view of the Profit or Loss of the Federation for the financial year and the Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the Federation as at the end of the financial year.

Signed at *Melbourne* this *6th* day of *July* 1993 in accordance with a resolution of Directors.



B.H. Macintosh
DIRECTOR



E.J. Long
DIRECTOR

STATEMENT PRUSUANT TO SECTION 130 (10) OF THE CO-OPERATION ACT 1981.

To the best of my knowledge and belief the accompanying accounts give a true and fair view of the matters required by Section 130 of the Co-operation Act 1981 of Victoria to be dealt with therein.

Signed at *Melbourne* this *6th* day of *July* 1993.



B.H. Macintosh
PRINCIPAL ACCOUNTING OFFICER

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CO-OPERATIVE FEDERATION OF VICTORIA LIMITED

Scope

We have audited the accounts being the Statement by Directors, Income & Expenditure Statement, Balance Sheet and Cash Flows of Co-operative Federation of Victoria Limited for the year ended 30 June 1993. The Co-operative's directors are responsible for the preparation and presentation of the accounts and the information they contain. We have conducted an independent audit of these accounts in order to express an opinion on them to the members of the Co-operative.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the accounts are presented fairly in accordance with Australian Accounting Concepts and Standards and statutory requirements so as to present a view of the Co-operative which is consistent with our understanding of its financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion:

- (a) we have obtained all the information and explanations required;
- (b) the accounts of Co-operative Federation of Victoria Limited are properly drawn up in accordance with the provisions of the Co-operation Act 1981 (as amended) so as to give a true and fair view of:
 - (i) the state of affairs of the Co-operative as at 30 June 1993 and of its results and cash flows for the year ended on that date, and;
 - (ii) the other matters required by Section 130 of that Act to be dealt with in the accounts;
- (c) the accounts are properly drawn up in accordance with Statements of Accounting Concepts and applicable Accounting Standards;
- (d) the accounting records and other records and registers required by that Act to be kept by the Co-operative have been properly kept in accordance with the provisions of that Act.

Thompson Douglass & Co.
THOMPSON DOUGLASS & CO
Chartered Accountants

W. F. Gartner
..... Partner
W F GARTNER

Melbourne 14 July 1993

CO-OPERATIVE FEDERATION OF VICTORIA LIMITED

INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 1993

\$		\$
1992		
	INCOME	
350	Interest Received	629
350		629
	EXPENDITURE	
300	Audit Fee	300
0	Bank Charges	1
122	Insurances	140
422		441
-72	NET SURPLUS/DEFICIT	188

BALANCE SHEET AS AT 30 JUNE 1993

MEMBERS FUNDS		
560	Share Capital - Issued & fully paid	560
5198	Accumulated funds - balance 1/7/92	5126
-72	Add Surplus for the year	188
5126		5314
5686	Total Share Capital & Accumulated Funds	5874
	Represented by:	
	CURRENT ASSETS	
0	IOOF Building Society - at call	10
6108	IOOF Building Society - due 22/10/93	6164
6108		5174
	Less CURRENT LIABILITIES	
422	Sundry Creditors	300
5686	NET ASSETS	5874

CO-OPERATIVE FEDERATION OF VICTORIA LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 1993

	NOTE	1993 \$	1992 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Interest received		629	350
Payments to suppliers		563	300
Net Cash provided by operating activities	2	66	50
Net increase in cash held		66	50
Cash at 1 July 1992		6108	6058
Cash at 30 June 1993		6174	6108

Notes to Statement of Cash Flows

1. Reconciliation of Cash

For the purpose of this statement of cash flows, cash includes cash on hand and on deposit with financial institutions.

Cash on deposit with financial institutions	6174	6108
	=====	=====

2. Reconciliation of Cash Flows from Operations with Operating Profit after Income Tax

Operating Profit (Loss) after Income Tax	188	(72)
Changes in assets and liabilities		
Decrease in Creditors	(122)	122
Cash Flow from operations	66	50
	=====	=====

CO-OPERATIVE FEDERATION OF VICTORIA LIMITED

DIRECTORS REPORT

The Directors present herewith the Balance Sheet as at the 30th June and the Profit & Loss Account of the Society for the year ended on that date and reports as follows:-

DIRECTORS

The names of the Directors in office at the date of this report are:-

S. Chenery
J. Gill
B. Hawkins
E.J. Long
B. Macintosh
D. McMullan
S. O'Rourke
I. Risstrom
O.J. Slattery
I. Symons

PRINCIPAL ACTIVITIES

The principal activity of the Federation during the year has been participation on the Ministerial Advisory Committee on Co-operation.

PROFIT/LOSS

The net profit of the Federation after providing for income tax was \$188.

RESERVES AND PROVISIONS

No amounts have been transferred to or from Reserves or Provisions during the year.

SHARES ISSUED PURSUANT TO A PROSPECTUS

The Federation has not issued any shares or debentures during the year pursuant to a prospectus.

DIVIDENDS

The Directors do not recommend a dividend and no dividends were declared or payable during the year.

BAD DEBTS

The Directors took reasonable steps to ascertain what action had been taken in relation to the writing off of bad debts and made adequate provision for doubtful debts. At the date of this report the Directors are not aware of any circumstances that would render the amount of provision for doubtful debts inadequate to any substantial extent.

CURRENT ASSETS

The Directors took reasonable steps to ascertain that all current assets of the Federation were shown in the accounting records of the Federation at a value equal to or below the value that would be expected to be realised in the ordinary course of business.

At the date of this report, the Directors are unaware of any circumstances which would render the values attributed to current assets in the accounts misleading.

CHARGES AND CONTINGENT LIABILITIES

At the date of this report:-

- (i) No charge on the assets of the Federation exists, which has arisen since the end of the financial year and secures the liability of any other person;
- (ii) No contingent liability has arisen since the end of the financial year.

MATERIAL AND UNUSUAL ITEMS OR EVENTS

At the date of this report the Directors are not aware of any circumstances not otherwise dealt with in this report or accounts which would render any amount stated in the accounts misleading.

The results of the Federation's operations during the financial year have not, in the opinion of the Directors, been substantially affected by any item, transaction or event of a material and unusual nature.

Since the end of the financial year and to the date of this report, in the opinion of the Directors, no item, transaction or event of a material or unusual nature, which would affect substantially the results of the Federation's operations for the next financial year, has occurred.

SHARE OPTIONS

No options have been granted to any person by the Federation to have issued to them shares of the Federation during the year nor to the date of this report, and no shares have been issued by the Federation during the financial year nor to the date of this report on the exercise of options.

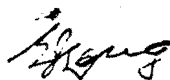
OTHER MATTERS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit by reason of a contract made by the Federation with the Director or with a firm of which he/she is a member, or with a company in which he/she has a substantial interest.

Signed at Melbourne this 6th day of July 1993, in accordance with a resolution of Directors.



B.H. Macintosh
DIRECTOR



E.J. Long
DIRECTOR